

**BEFORE THE INDUSTRIAL COMMISSION OF THE STATE OF IDAHO**

ROSLYN RICE,	)	
	)	
Claimant,	)	<b>IC 85-504159</b>
v.	)	
	)	
BASIC AMERICAN FOODS,	)	<b>ORDER</b>
	)	<b>REGARDING AWARD</b>
Employer,	)	
	)	
and	)	Filed Sept. 6, 2005
	)	
LIBERTY MUTUAL FIRE	)	
INSURANCE COMPANY,	)	
	)	
Surety,	)	
Defendants.	)	
	)	

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On July 29, 2005, Claimant returned two checks to Defendants, both issued by Defendant/Surety, indicating that the checks were tendered to the wrong parties. On August 1, 2005, Defendant filed a motion requesting clarification of the payment and satisfaction of the Commission judgment entered on June 24, 2005. The Motion also sought an expedited hearing in front of the Commission to further clarify the payment and satisfaction issue. Defendants' motion appears to be in response to Claimant's actions of July 29, 2005. Claimant filed a response to Defendants' motion on August 8, 2005.

1. Expedited hearing

Defendants present no compelling reason for an expedited hearing on this matter. None of Defendants' points or arguments are novel, new, or complex. The questions surrounding the issue of payment and satisfaction of the June 24 award can be resolved from the briefing. Defendants' request for an expedited hearing is, therefore, DENIED.

## 2. Clarification of payment and satisfaction

Defendants request an order that would require award checks to include the names of individuals or entities having a subrogated interest in a Commission award. Defendants claim this would be in the best interests of all parties involved. Defendants point out that Ameriben has a subrogated interest in amounts awarded Claimant. Ameriben is not a party to these workers' compensation proceedings. Claimant may owe a separate, contractual duty and obligation to Ameriben. This duty is Claimant's sole responsibility and does not concern Defendants. Defendants erroneously state "it is now Mr. Roberts' duty to satisfy that obligation out of the proceeds of the judgment. Something he is apparently not willing to do since he is insisting that the check be made out to him." Claimant's attorney, Mr. Roberts, has no duty to satisfy the contractual interest of Ameriben. If an obligation is due and owing to Ameriben for services provided to Claimant, Claimant alone is responsible for satisfying that obligation.

Both parties cite the case of *St. Alphonsus Regional Medical Center v. Edmonson*, 130 Idaho 108, 937 P.2d 420 (1997) as authority for their position. Claimant asserts this case stands for the proposition that benefit awards shall be directed to Claimant and not to a party bearing a contractual interest in such award. Defendants agree the case does not give third parties the right to demand payment be made directly to them, yet it does not explicitly state that a third party may not be included on an award check. Defendants are reading too much into *Edmonson*. As stated in *Edmonson*, "when the Commission awarded the worker compensation for his injury, the employer and the surety became obligated to pay the medical expenses. This does not mean, however, that the employer and the surety became directly obligated to the provider. Nothing in I.C. § 72-432(1)

requires direct payment to a provider.” *Id.* at 111. The provider was not a party in *Edmonson* and was not a party in this case.

The crux of the *Edmonson* case was the denial of benefits by the employer and surety. Since the claimant sought medical care on her own, she became liable for any services provided to her. The Commission award did not alter this contractual obligation. At no time, were the employer and surety obligated to pay the claimant’s medical service providers. Their sole obligation after the award was to pay the claimant and/or the attorney for the amount of the final award. The claimant was then solely responsible to pay the medical providers.

In this case, Defendants have improperly interfered with the contractual relationship between Claimant and her medical providers. Defendants must satisfy the Commission order by paying any award monies directly to Claimant and her counsel of record. The previously drafted checks were an improper satisfaction of the Commission order of June 24. The first check for medical expenses should be issued to Claimant’s attorney as well as Claimant. The second check for attorney fees should be issued solely to Claimant’s attorney.

Statutory interest began accruing once the June 24 order was filed by the Commission and shall continue to accrue until the obligations specified in that order are fully satisfied.

## CONCLUSIONS

Based upon the foregoing reasons, Defendants' request for an expedited hearing should be, and is hereby, DENIED. Defendants' request that the Commission order award checks to include the names of parties having a subrogation interest in a Commission judgment should be, and is hereby, DENIED. The award checks should be made payable as described herein.

DATED this 6th day of September 2005.

### INDUSTRIAL COMMISSION

/s/ \_\_\_\_\_  
Thomas E. Limbaugh, Chairman

/s/ \_\_\_\_\_  
James F. Kile, Commissioner

/s/ \_\_\_\_\_  
R. D. Maynard, Commissioner

ATTEST:

/s/ \_\_\_\_\_  
Assistant Commission Secretary

## CERTIFICATE OF SERVICE

I hereby certify that on this 6th day of September, 2005, a true and correct copy of the foregoing **ORDER REGARDING AWARD** was served by regular United States Mail upon each of the following:

DELWIN W. ROBERTS  
1495 East 17<sup>th</sup> St.  
Idaho Falls, ID 83404

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MONTE R. WHITTIER  
P.O. Box 6358  
Boise, ID 83707

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/s/ \_\_\_\_\_